RSAC 2025 Conference

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Cybersecurity M&A & Investment Trends: Where Deals Happen & What's Next

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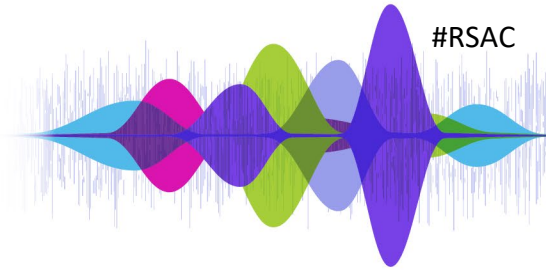

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2024 Cybersecurity Strategic Activity Recap

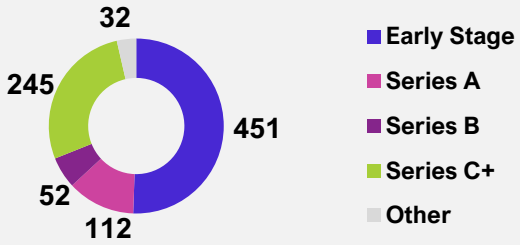
$13.2B
2024 Financing Deal Volume

892
2024 Financing Deal Count

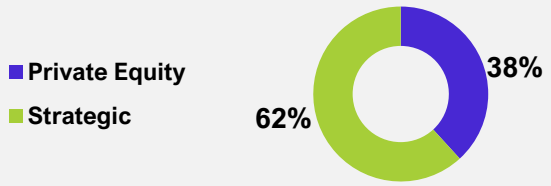
$53.3B
2024 M&A Deal Volume

280
2024 M&A Deal Count

Financing Deal Count By Stage



M&A Deal Count By Buyer Type



Top Public Cybersecurity Performers In 2024

FORTINET	CYBERARK	f5	radware	CROWDSTRIKE	CLOUDFLARE	paloalto	CHECK POINT
61% ↑	52% ↑	41% ↑	35% ↑	34% ↑	29% ↑	23% ↑	22% ↑

Notable 2024 M&A & Funding Activity

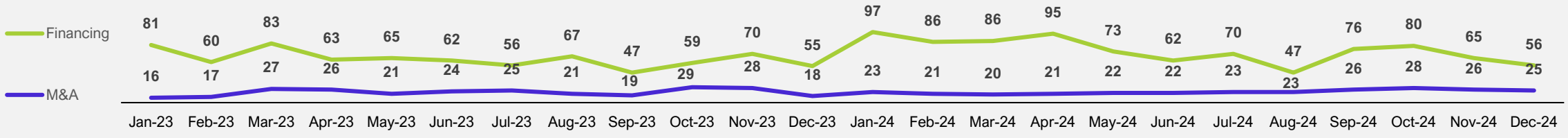
M&A Activity

Date	Target	Acquirer	Amount
01/09	Juniper Networks	Hewlett Packard Enterprise	$14.0B
04/24	HashiCorp	IBM	$6.4B
04/26	DARKTRACE	THOMABRAVO	$5.0B
08/07	Acronis	EQT	$4.0B E
02/08	VERITAS	COHESITY	$3.0B E
05/23	AUDITBOARD	Hg	$3.0B
09/12	Recorded Future	mastercard	$2.7B
05/06	SYNOPSYS Soft. Integrity Busn.	FP /	$2.1B

Financing Activity

Date	Company	Amount
05/07	WIZ	$1.0B
08/14	Kiteworks	$456M
08/27	Cribl	$319M
12/28	SANDBOXAQ	$300M
11/20	CYERA	$300M
04/09	CYERA	$300M
01/16	QUANTINUUM	$300M
08/06	Abnormal	$250M

Monthly Deal Count Tracker



Source: Pitchbook, Altitude Cyber's proprietary M&A and Financing transaction databases.

Q1 2025 Cybersecurity Strategic Activity Recap

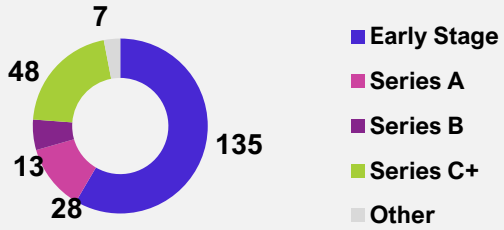
$3.8B
2025 YTD Financing Deal Volume

231
2025 YTD Financing Deal Count

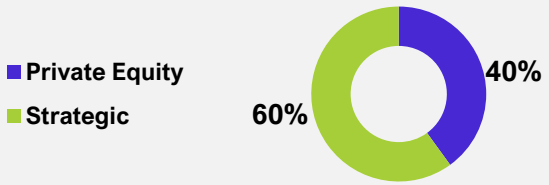
$37.7B
2025 YTD M&A Deal Volume

70
2025 YTD M&A Deal Count

Financing Deal Count By Stage



M&A Deal Count By Buyer Type



Top Public Cybersecurity Performers In 2024

okta	TREND MICRO	CHECK POINT	f5	CLOUDFLARE	CROWDSTRIKE	FORTINET	CYBERARK
33% ↑	23% ↑	22% ↑	6% ↑	5% ↑	3% ↑	2% ↑	1% ↑

Notable 2025 YTD M&A & Funding Activity

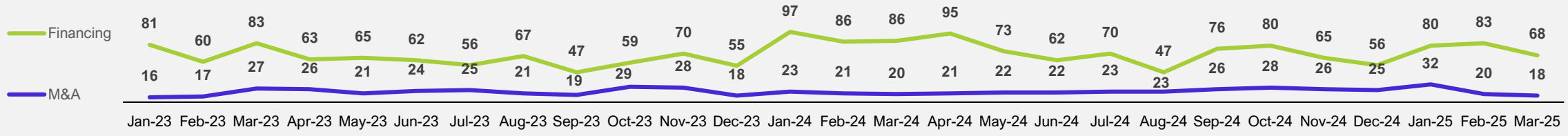
M&A Activity

Date	Target	Acquirer	Amount
03/18	WIZ	Google	$32.0B
02/07	SOLARWINDS	TURN/RIVER	$4.4B
01/27	Dropsuite	ninjaOne	$252M
02/11	SAFEBASE	DRATA	$250M [E]
03/03	Identity Automation	jamf	$215M
02/13	zilla SECURITY	CYBERARK	$165M
01/13	VULCAN.	tenable	$150M
01/29	Alterya	Chainalysis	$150M [E]

Financing Activity

Date	Company	Amount
03/31	RELIAQUEST	$500M
02/24	ninjaOne	$500M
01/30	ID.me	$275M
03/26	Island	$250M
03/24	AURA	$140M
02/11	tines	$125M
03/10	cybereason	$120M
02/17	DREAM	$100M

Monthly Deal Count Tracker



Source: Pitchbook, Altitude Cyber's proprietary M&A and Financing transaction databases.

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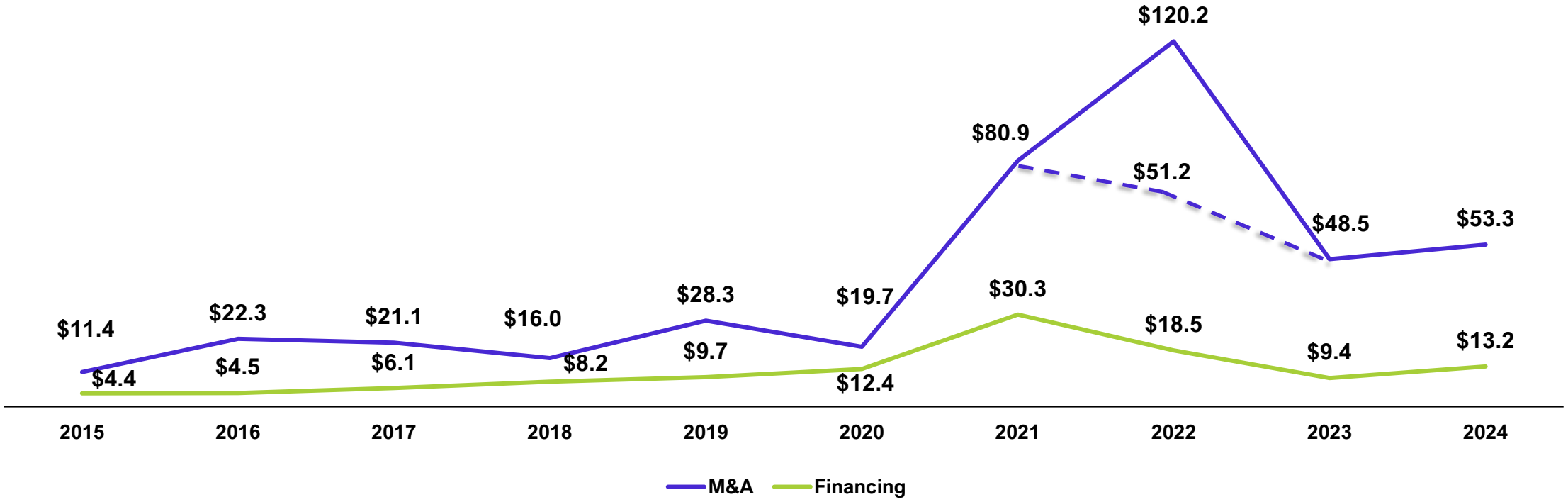
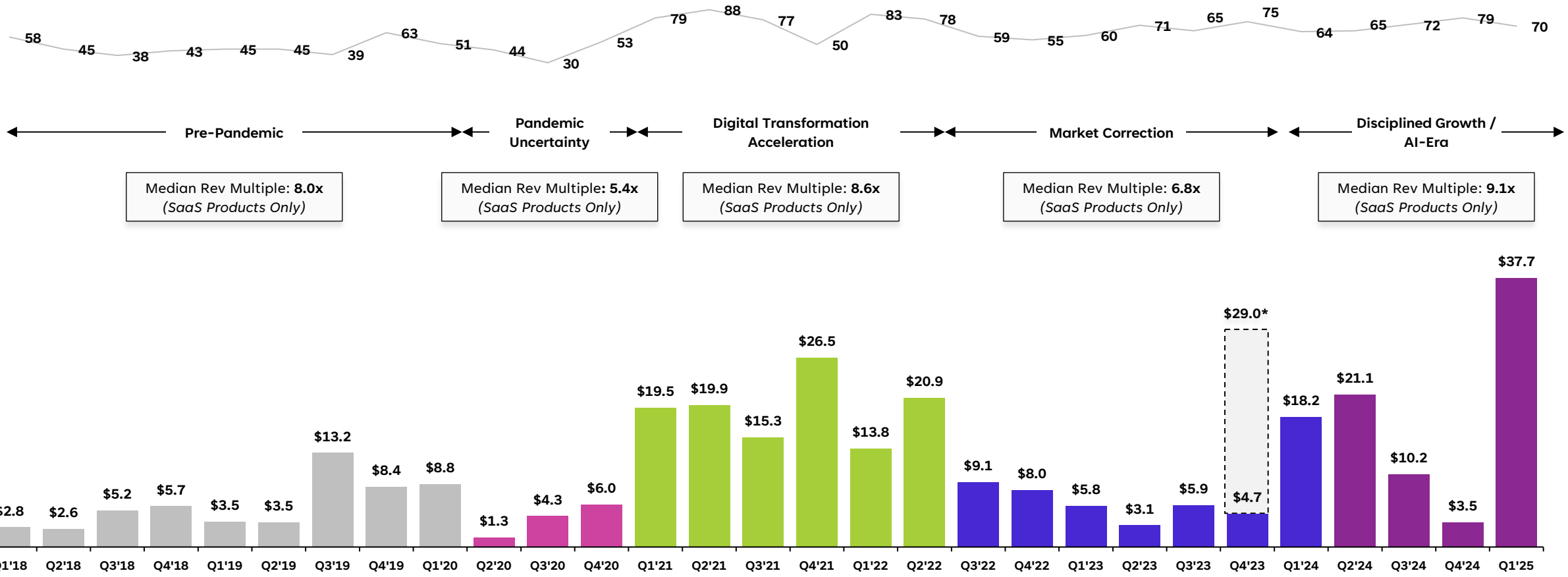
Last Decade of Strategic Activity

2015-2019 Strategic Volume ($B)				2020-2024 Strategic Volume ($B)			
M&A	$99.2B	Financing	$32.9B	M&A	$322.5B (225% ↑)	Financing	$83.7B (154% ↑)



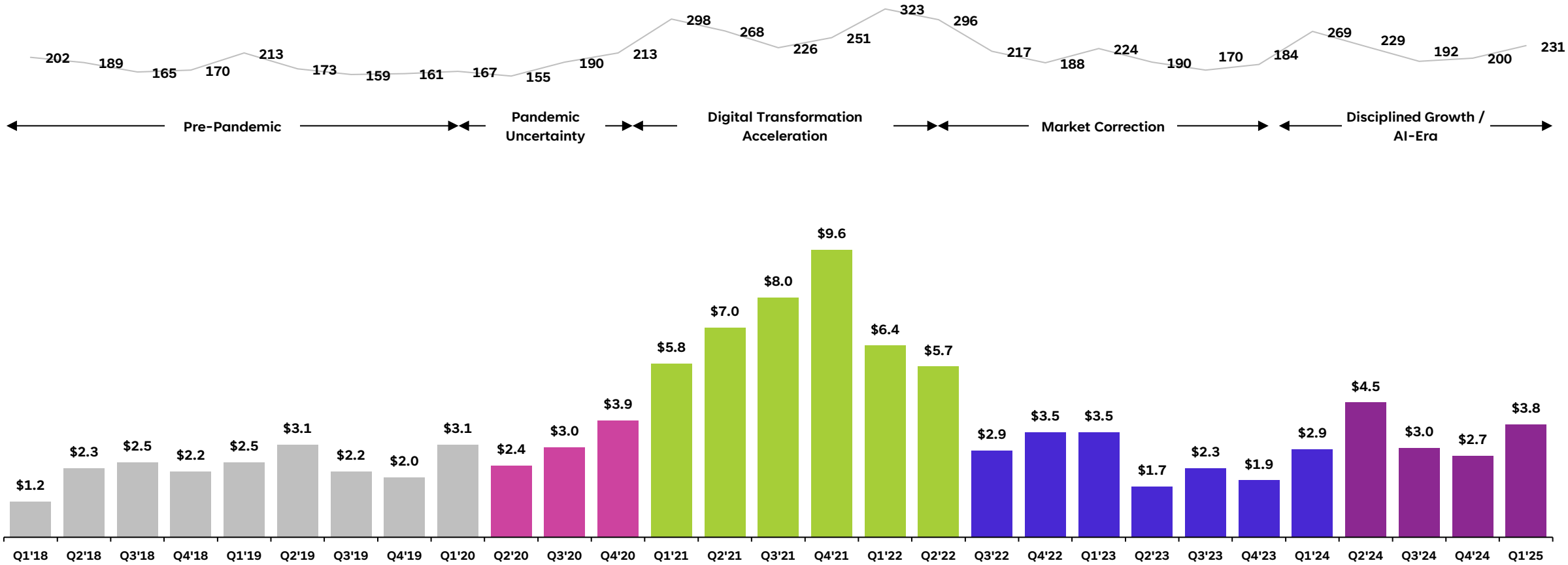
Source: Pitchbook, Altitude Cyber's proprietary M&A and Financing transaction databases.
Note: – – – highlights $69B EV acquisition of VMware in Q2 2022.

Cybersecurity M&A Activity By Quarter


58 45 38 43 45 45 39 63 51 44 30 53 79 88 77 50 83 78 59 55 60 71 65 75 64 65 72 79 70
Pre-Pandemic
Pandemic Uncertainty
Digital Transformation Acceleration
Market Correction
Disciplined Growth / AI-Era
Median Rev Multiple: 8.0x (SaaS Products Only)
Median Rev Multiple: 5.4x (SaaS Products Only)
Median Rev Multiple: 8.6x (SaaS Products Only)
Median Rev Multiple: 6.8x (SaaS Products Only)
Median Rev Multiple: 9.1x (SaaS Products Only)
$2.8 $2.6 $5.2 $5.7 $3.5 $3.5 $13.2 $8.4 $8.8 $1.3 $4.3 $6.0 $19.5 $19.9 $15.3 $26.5 $13.8 $20.9 $9.1 $8.0 $5.8 $3.1 $5.9 $29.0* $4.7 $18.2 $21.1 $10.2 $3.5 $37.7
Q1'18 Q2'18 Q3'18 Q4'18 Q1'19 Q2'19 Q3'19 Q4'19 Q1'20 Q2'20 Q3'20 Q4'20 Q1'21 Q2'21 Q3'21 Q4'21 Q1'22 Q2'22 Q3'22 Q4'22 Q1'23 Q2'23 Q3'23 Q4'23 Q1'24 Q2'24 Q3'24 Q4'24 Q1'25

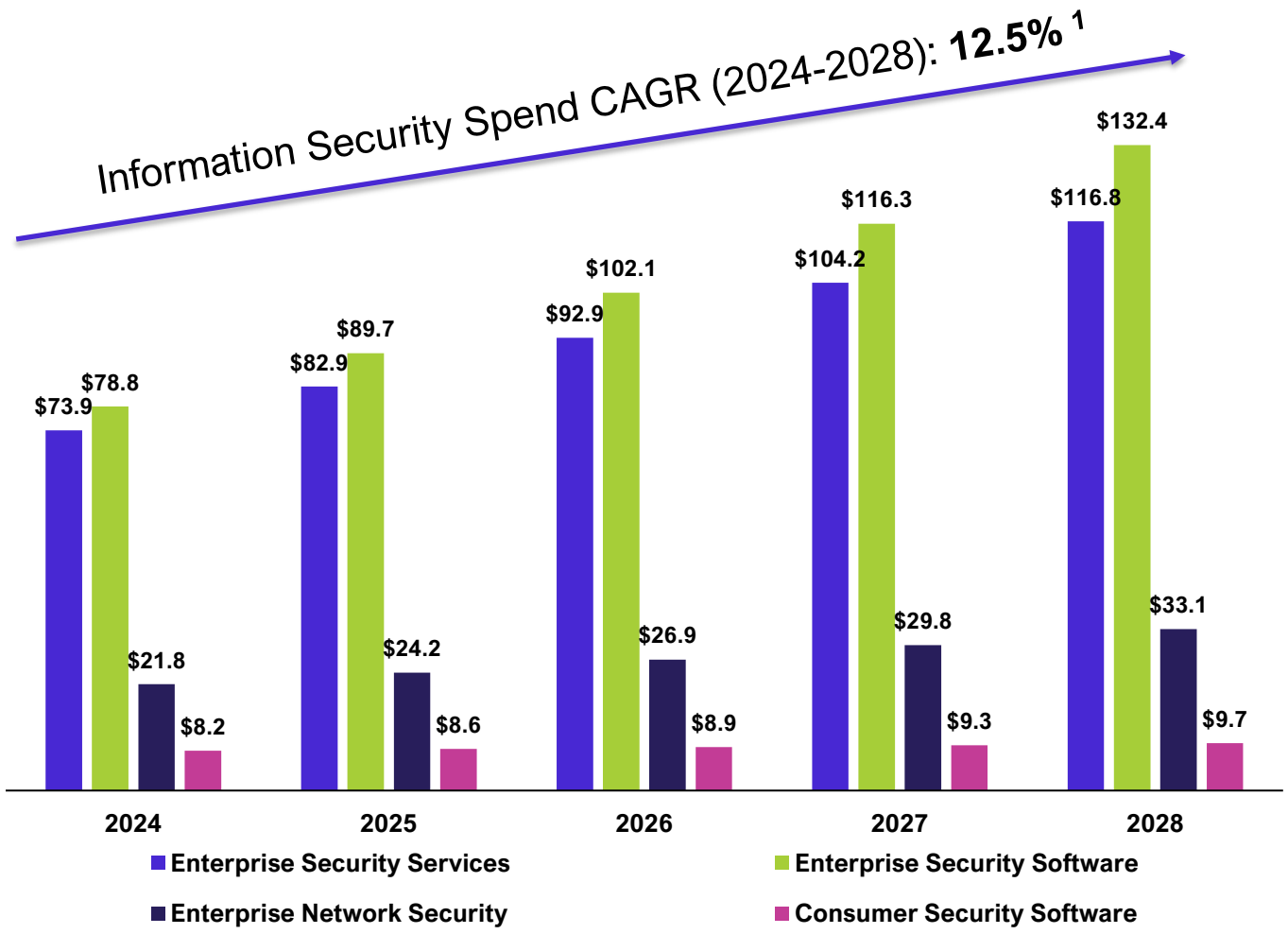
Source: Pitchbook, Altitude Cyber's proprietary M&A transaction database.
Note: Broadcom's $69.2B EV acquisition of VMware in Q2 2022 is excluded from the above analysis.
*Illustrates Cisco's $29.0B EV acquisition of Splunk; this deal is excluded from the above analysis.

Cybersecurity Financing Activity By Quarter



Source: Pitchbook, Altitude Cyber's proprietary Financing transaction database.

Cyber Spend Expected To Continue Growth



- Gartner estimate: global information security market will grow to ~$300B by 2028 (12.5% overall CAGR).
- 14% CAGR for enterprise security software market—followed by security services (12%), network security (11%), and consumer software (4.0%)

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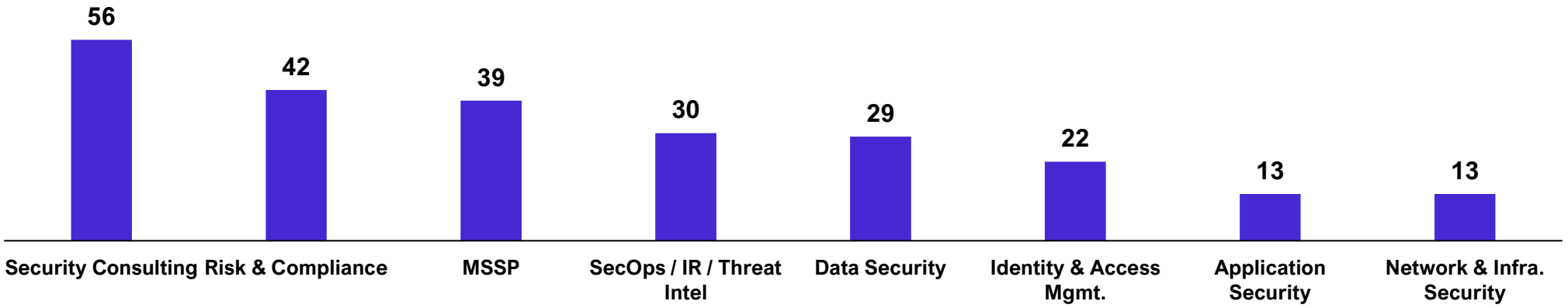
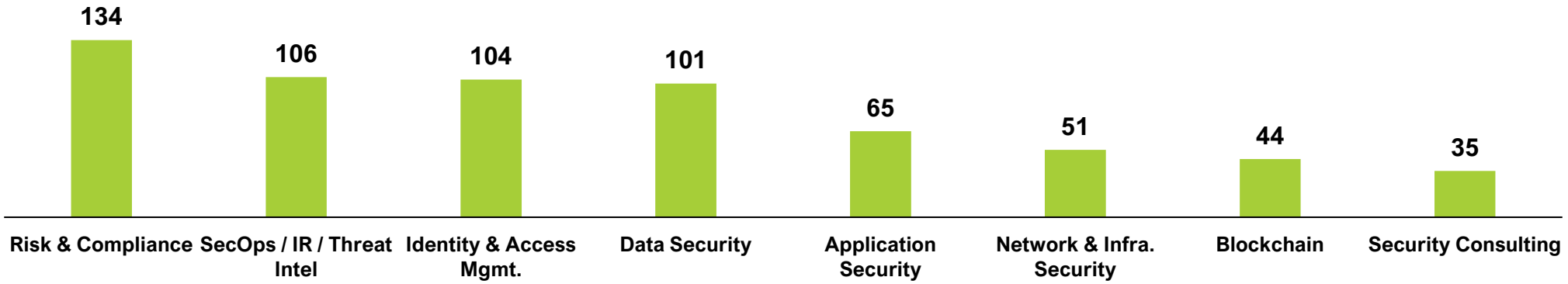
Source: Gartner.
1 – Values from 2025-2027 based on Gartner's estimates using constant currency.

M&A & Financing Volume By Sector Last 4 Quarters

Top 10 Sectors By M&A Activity



Top 10 Sectors By Financing Activity



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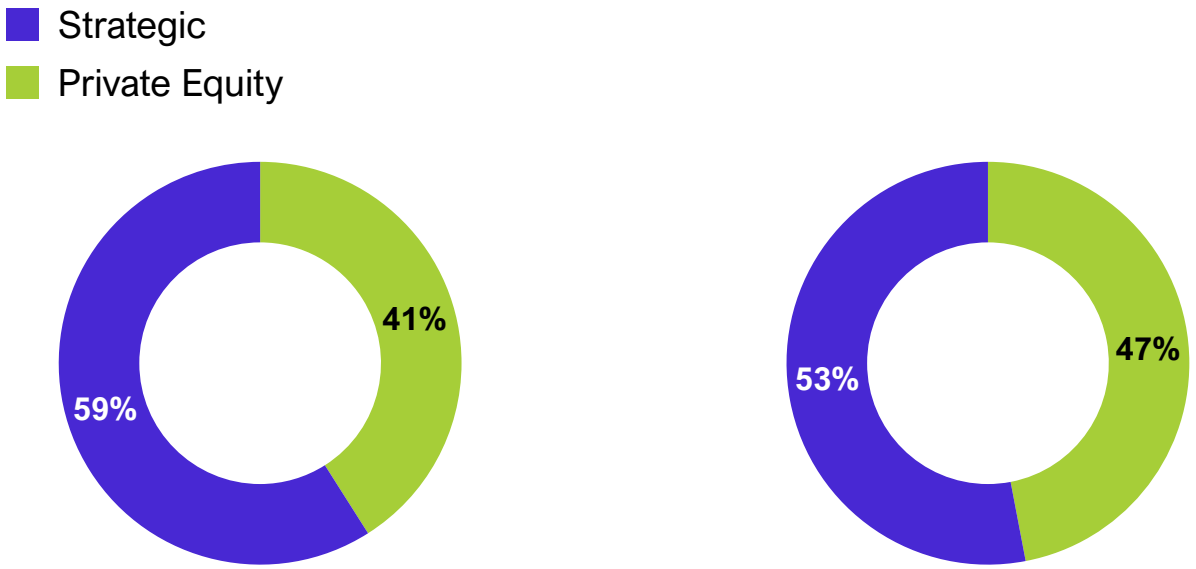
Source: Pitchbook, Altitude Cyber's proprietary M&A and Financing transaction databases.
Data from Q2 2024 – Q1 2025.

Private Equity By The Numbers

2020 – 2024 | M&A Activity By Type Of Buyer



PE Deal Count	**532**
Strategic Deal Count	**765**

PE Deal Volume ($)	**$119.2B**
Strategic Deal Volume ($)	**$134.4B**

Select Cyber Private Equity Universe

Advent International GLOBAL PRIVATE EQUITY
Apax
Audax Group
CLEARLAKE
BainCapital
Blackstone
COATUE
CROSSPOINT CAPITAL
FP FRANCISCO PARTNERS
HELLMAN & FRIEDMAN
HGGC
INSIGHT PARTNERS
K1 INVESTMENT MANAGEMENT
KKR
MARLIN EQUITY PARTNERS
PERMIRA
SILVERLAKE
STG SYMPHONY TECHNOLOGY GROUP
SUNSTONE PARTNERS
TA ASSOCIATES
THOMABRAVO
TIGERGLOBAL
TPG
VISTA

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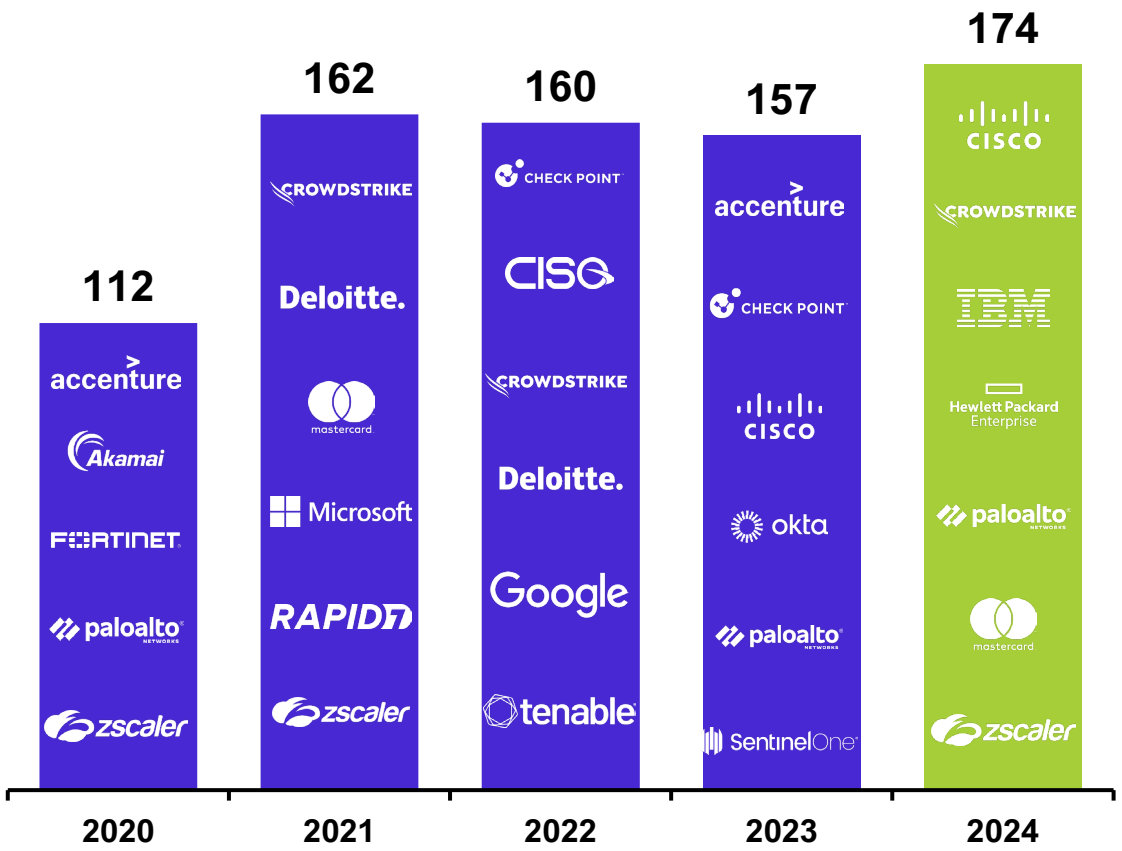
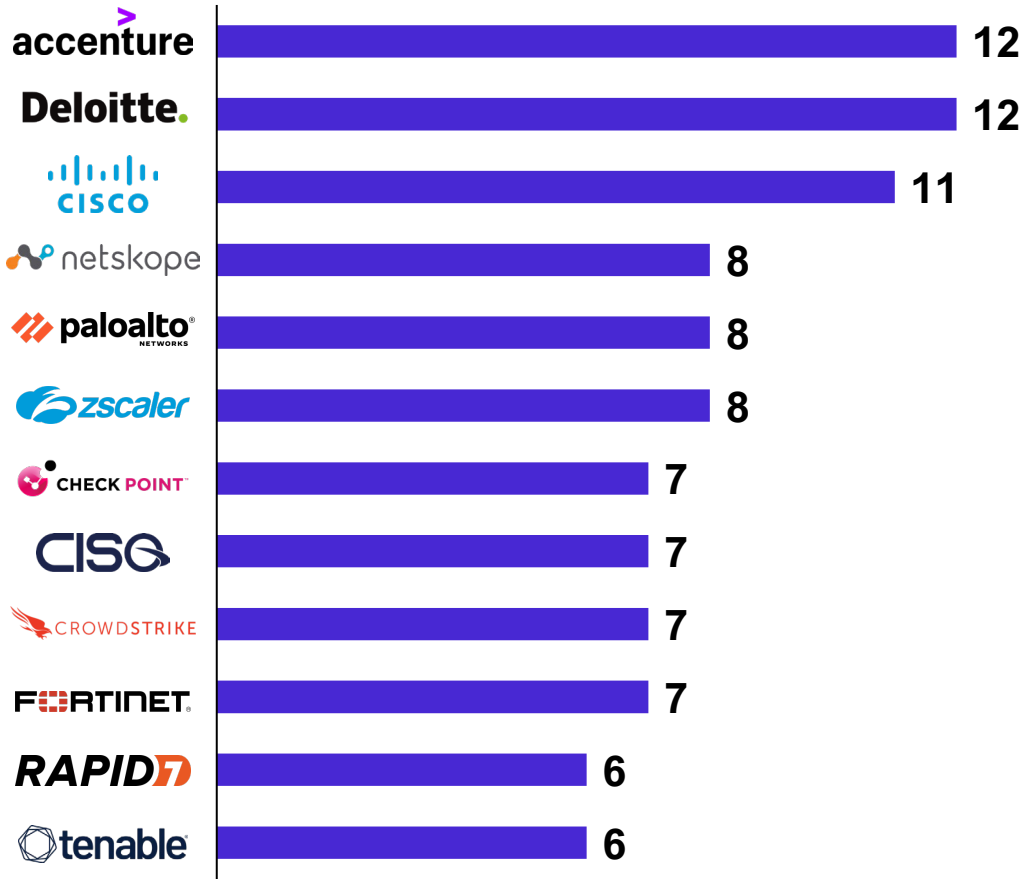
Source: Pitchbook, Altitude Cyber's proprietary M&A transaction database.
Note: Strategic deal data excludes Vmware / Broadcom deal.

Strategic Buyer Activity Over The Last 5 Years

Strategic Acquisition Deal Count (2020 – 2024)



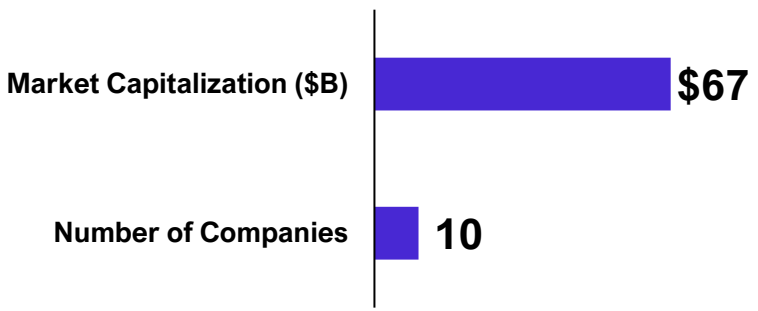
Top Strategic Acquirers (2020 – 2024)



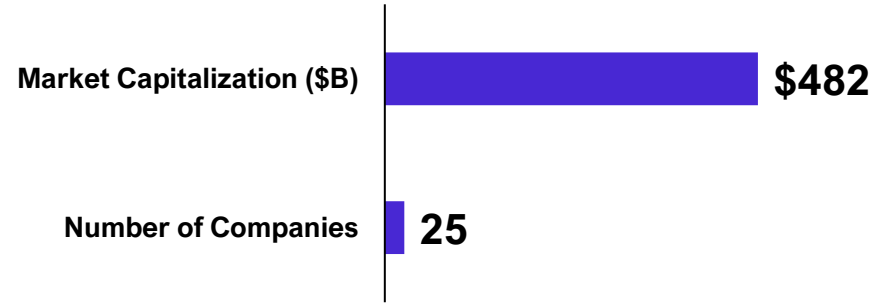
Source: Pitchbook, Altitude Cyber's proprietary M&A transaction database.
Note: Logos on left-hand graph include representative buyers in the selected period, sorted alphabetically.

Significant Growth in Public Cyber Companies

Public Company Stats | 2011



Public Company Stats | 2024



619% ↑
Growth in Market Cap

150% ↑
Growth in # of Public Cyber Companies

Public Cyber Companies | 2011

AhnLab, CHECK POINT, F-Secure, FORTINET, KeyW, nccgroup, NortonLifeLock, OneSpan, TREND MICRO, vmware

Public Cyber Companies | 2024

AhnLab, Akamai, CHECK POINT, CLOUDFLARE, CROWDSTRIKE, CYBERARK, f5, F-Secure, FORTINET, Gen, nccgroup, okta, OneSpan, paloalto NETWORKS, Qualys, radware, RAPID7, riskified, rubrik, SentinelOne, SOLARWINDS [1], Telos, tenable, TREND MICRO, zscaler

Source: Pitchbook. Market data updated as of December 31, 2024
1 – SolarWinds announced pending acquisition by Turn/River for $4.4B on 2/7/25.

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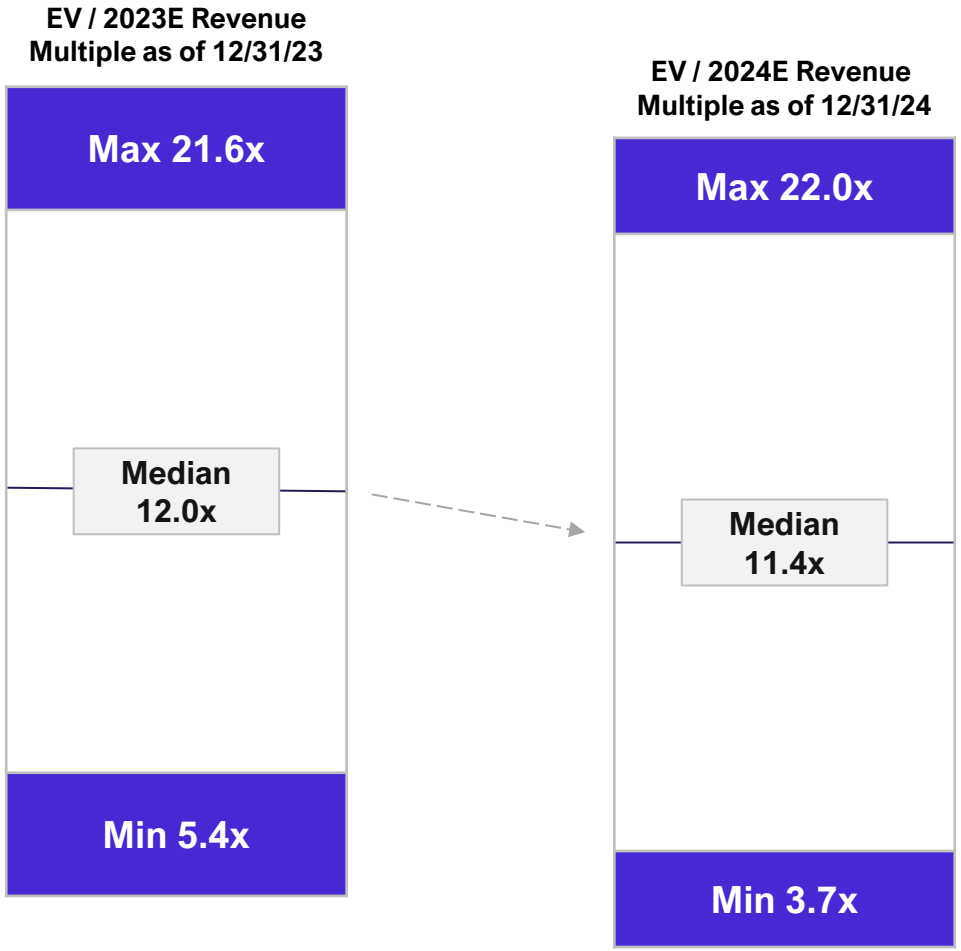
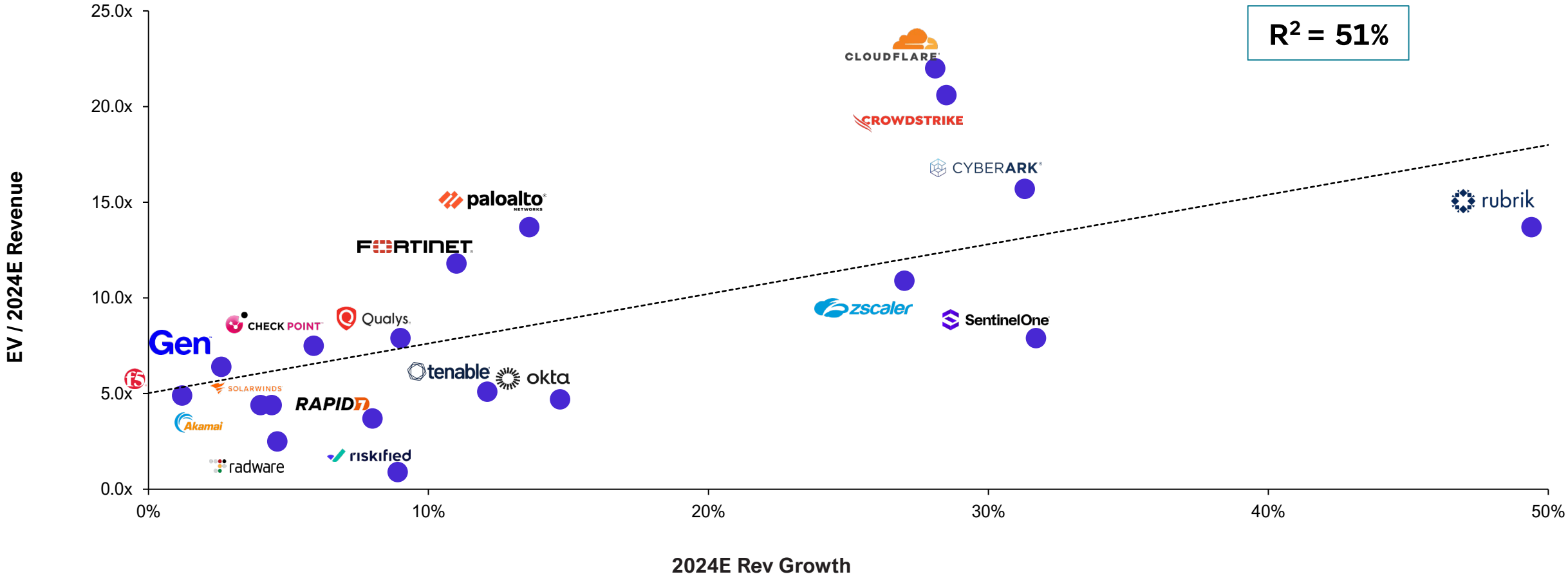
Cybersecurity Multiples YoY



- Valuation dispersion is widening
- Public market sentiment still cautious
- Sector dynamics matter
- Macroeconomic stabilization helping

Source: Pitchbook. Market data updated as of December 31, 2024

Value Is Less Correlated To Revenue Growth…



Source: Pitchbook. Market data updated as of December 31, 2024.
Data includes selected public cybersecurity companies.
Note: Secureworks, Telos, and Trend Micro excluded from graph.

…And More Dependent On Business Fundamentals

ARR Growth	<20%	>50%	>100%
Gross Margin	<60%	>75%	>85%
Burn Multiple	>3.0x	<2.0x	<1.0x
Magic Number	<0.5x	>0.75x	>1.25x
Gross Revenue Retention (GRR)	<80%	>90%	>95%
Net Revenue Retention (NRR)	<100%	>115%	>125%
LTV / CAC	<3.0x	>5.0x	>7.0x
Rule of 40	<10%	>40%	>60%

Key Themes For 2025 And Beyond

AI's Growing Role in Cybersecurity	Increased M&A for AI-driven security automation, detection, and response. AI as both an attack vector and a defense tool.
Shift Toward Profitability & Sustainable Growth	Investors prioritizing efficiency over hypergrowth. Companies with strong business fundamentals commanding higher valuations.
Sector Consolidation Continues	Endpoint security, cloud security, and identity access management seeing roll-ups. Private equity as a dominant player in cybersecurity M&A.
Regulatory & Compliance Impact on M&A	Governments tightening cybersecurity regulations → driving deals for compliance-focused solutions. Data privacy laws impacting vendor selection & acquisition strategy.
Public Market Recovery & IPO Readiness	More cybersecurity firms testing IPO waters in 2025 after a slow 2023-2024. Valuations stabilizing, but only for companies with strong fundamentals.
Changing Nature of Cyber Threats & Response	Geopolitical cyber threats influencing investments in critical infrastructure security. Zero trust, supply chain security, and post-quantum cryptography gaining traction.
Google & Wiz's Mega Deal	On March 18th, Google announced that it is acquiring Wiz for $32B, the largest acquisition in cybersecurity history, signaling a seismic shift in the cloud security landscape.

How to Apply Cybersecurity M&A & Investment Insights in Your Role

- For Founders & Operators
  - Understand what drives acquirer/investor interest—position your company accordingly.
  - Timing matters—know when M&A is viable vs. raising capital.
  - Business fundamentals (not just growth) drive valuation—focus on profitability, GTM efficiency.
- For Investors & Advisors
  - Identify trends shaping deal activity—where capital is flowing, which sectors are consolidating.
  - Assess which cybersecurity segments have staying power vs. hype cycles.
  - Use valuation trends to gauge exit strategies for portfolio companies.
- For Large Companies & Strategic Buyers
  - Competitive landscape—where to acquire vs. build vs. partner.
  - Market dynamics—how financing trends affect M&A opportunities.

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